

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



**FILED**

04/22/22

11:56 AM

A2010011

Application of Pacific Gas and Electric  
Company (U39M) for Approval of its  
Proposal for a Day-Ahead Real Time Rate and  
Pilot to Evaluate Customer Understanding and  
Supporting Technology

U 39 M

Application No. 20-10-011  
(Filed October 23, 2020)

**MOTION FOR EVIDENTIARY HEARING**

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Dated: April 22, 2022

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**I. INTRODUCTION**

Pursuant to the Assigned Commissioner's Amended Scoping Memo and Ruling (ACR) dated December 17, 2021, as amended by the ALJ's ruling of January 14, 2022, Pacific Gas and Electric Company (PG&E) files this motion for evidentiary hearings in Phase 2 of the above-captioned proceeding (commonly referred to as PG&E's DAHRTP-CEV proceeding). Specifically, PG&E:

1. Respectfully requests that the Commission grant evidentiary hearings to address the issues identified in the table below as believed to currently be contested.
2. In addition, PG&E respectfully requests that the Vehicle Grid Integration Council (VGIC) be required to come forward with additional implementation details for its proposals so that parties may have an opportunity to adequately evaluate feasibility and cost of its proposals.

3. Should the Commission require VGIC to submit additional implementation details for its proposal, the Commission may want to consider allowing more time between this submission and the evidentiary hearings to allow parties to narrow the contested issues
4. Finally, PG&E respectfully requests that the Commission provide guidance as to whether, and, if so, when during these hearings, the Commission may wish to ask questions of a panel of witnesses supporting the uncontested stipulated recommendation (Exhibit PG&E-25) on the Marginal General Capacity Costs (MGCC) Study (Exhibit PG&E-24),<sup>1/</sup> which otherwise does not require hearings.

## II. PROCEDURAL HISTORY

In Decision (D.) 21-11-017, the CPUC decided Phase 1 of PG&E's DAHRTP-CEV proceeding. That decision continued the proceeding for a second Phase, to provide time for completion of a MGCC Study, as stipulated by PG&E, Cal Advocates and SBUA, and to consider issues related to export compensation for customers that do not participate in net metering but could place energy on the grid by using behind-the-meter resources through vehicle-to-grid technologies.

The specific issues scoped for determination in the remainder of this proceeding are:

- “1. How should the MGCC be calculated to ensure PG&E's DAHRTP CEV rate accurately reflects hourly variations to the marginal costs of serving incremental load?
2. How could customers enrolled in PG&E's DAHRTP rate receive export compensation if they do not participate in net metering but still provide behind-the-meter resources?”

In a ruling issued January 14, 2022, Administrative Law Judge (ALJ) Sisto amended the Amended Scoping Memo's schedule for the remainder of this proceeding, as discussed below.

On the first scoped issue, PG&E and the interested parties worked collaboratively to prepare the required MGCC Study in hopes of submitting it by the original deadline of January 18, 2022. Because certain key data were received late, it was necessary to request an eight-week extension of the submittal deadline. By email ruling on January 14, 2022, ALJ Sisto granted the joint parties' motion requesting an extension of the MGCC Study deadline to March 15, 2022.

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<sup>1/</sup> Marginal Generation Capacity Cost Pricing Formula for PG&E's Day-Ahead Hourly Real Time Pricing (DAHRTP) Rates, Report to Parties in California Public Utility Commission Dockets A.20-10-011 and A.19-11-019.

As required, PG&E served the collaboratively developed MGCC Study on March 15, 2022, though replaced it with a corrected version served on March 17, 2022 (Exhibit PG&E-24). On April 13, 2022, PG&E served an all-party Stipulation (Exhibit PG&E-25) jointly recommending what actions the CPUC should take based on the MGCC Study. PG&E respectfully requests that both the MGCC Study and the related Stipulation be considered for receipt into evidence in this proceeding without cross-examination subject to confirmation from parties at the May 10, 2022 status conference.

As required, no later than March 30, 2022, PG&E noticed and held a Meet-and-Confer on both the MGCC and export compensation issues.

Regarding the second scoped issue, on March 24, 2022, PG&E served the required supplemental testimony presenting its proposal for an export compensation mechanism for customers enrolled in the DAHRTP-CEV rate that do not participate in net energy metering but provide behind-the-meter resources. PG&E also served the meet and confer report (Exhibit PG&E-26) as required by the ALJ January 14, 2022 ruling.

On April 13, 2022, the only party to serve responsive testimony was VGIC. Rebuttal testimony is scheduled to be served by April 29, 2022. A prehearing Status Conference has been set for May 10, 2022, and potential evidentiary hearing dates were reserved for May 18 – 20, 2022, if necessary. An extension of the potential evidentiary hearing dates may be necessary should the Commission require VGIC to submit additional implementation details for its proposal and order to allow parties to further narrow and define the contested issues.

At this point in the proceeding, PG&E believes there appear to be several issues in dispute, based on the parties' pre-rebuttal proposals, as set forth in the table below. PG&E recommends that this table be updated after rebuttal is received, for discussion at the pre-hearing Status Conference currently scheduled for May 10, 2022.

### **III. CURRENTLY CONTESTED ISSUES**

The table below sets forth the contested issues, including VGIC proposals that would benefit from clarification, along with the justification for evidentiary hearings. PG&E believes VGIC has not provided an adequate showing justifying its proposals and believes the CPUC record would benefit if both VGIC and PG&E had additional time before hearings to clarify the justification for their proposals, further narrow issues and seek settlement. For example, where

VGIC’s testimony currently has gaps, the CPUC could allow time for VGIC to clarify and fill in such gaps. Since PG&E rebuttal testimony is still being prepared, it is premature to attempt to state here the nature of the testimony PG&E might propose to proffer until after rebuttal is served. Additionally, PG&E expects other parties may submit rebuttal testimony on some issues as well.

**Table 1: Contested Issues**

Scoped Issue	Issue Currently Contested?	Why Material and Relevant	Nature of Testimony
1. How should the MGCC be calculated to ensure PG&E’s DAH RTP-CEV rate accurately reflects hourly variations to the marginal costs of serving incremental load?	<b>No.</b> Hearings are not believed necessary on MGCC Study issues because no party has contested the Joint Proposal in the Stipulation served on April 13, 2022.	There are <b>no material issues of fact</b> in dispute, at this time, on the MGCC Study and Joint Stipulation.	However, if the CPUC still wishes to ask questions about the MGCC Study and Stipulation, a panel of key supporting parties has been offered. The parties would appreciate collaboratively setting a date and time certain, well in advance, to accommodate witness availability constraints.
2. How could customers enrolled in PG&E’s DAH RTP-CEV rate receive export compensation if they do not participate in net metering but still provide behind-the-meter resources.	<b>Yes.</b> Several sub-issues are contested and currently appear to merit evidentiary hearings.		<i>To be addressed after rebuttal is served.</i>
<b>Sub-issue 2.A:</b> Is PG&E’s market participation	<b>Yes.</b> VGIC testimony (p. 4) asserts PG&E’s market participation approach is	Selecting the appropriate approach to addressing these BTM export compensation issues requires considering a <i>range</i>	While PG&E recognizes that a retail non-NEM export rate approach may be one option,

Scoped Issue	Issue Currently Contested?	Why Material and Relevant	Nature of Testimony
approach germane such that it belongs in this proceeding	not germane and does not belong in this proceeding; at the same time VGIC's testimony does not provide adequate justification with a cost/benefit analysis	<i>of options</i> , including PG&E's market participation approach.	PG&E's proposal focuses on a market participation approach which is better in the long run. VGIC has not provided adequate showing to demonstrate that the evaluation of costs and the burden of its retail non-NEM export rate proposal on PG&E's electric system is robust enough to support adoption without further showings/workshops.
<b>Sub-issue 2.B.</b> Resource Adequacy Valuation and Compensation Methodology	<b>Perhaps.</b> VGIC (pp. 4-5) claims PG&E's resource adequacy comments constitute opposition to establishing a resource adequacy valuation and compensation methodology	VGIC has misunderstood PG&E's comments, which describe the need to "delineate the issues with the existing participation models for BTM resources," including resource adequacy valuation and compensation, The pilot PG&E has proposed would produce data relevant to determining how to estimate RA for BTM EV resources	Resource Adequacy Issue
<b>Sub-issue 2.C:</b> Export Valuation	<b>Yes.</b> VGIC asserts PG&E's proposal "amounts to an overly complex and lengthy approach" (p.5)	Clear cost/benefit analysis is required to support proposed changes.	PG&E's proposal clarifies that it seeks to avoid the negative consequences of NEM type over-compensation by understanding customer behavior to begin to develop a

Scoped Issue	Issue Currently Contested?	Why Material and Relevant	Nature of Testimony
			methodology for RA.
<b>Sub-Issue 2.D:</b> Alternative approaches	<b>Yes.</b> VGIC (p.5) claims that offering the same export compensation for DAHRTP-CEV Non-NEM as DAHRTP-CEV NEM customers would be straightforward.	CPSD must justify its proposals with cost/benefit analysis.	PG&E does not agree with VGIC.  PG&E will explain why compensation at the full generation rate component would not be appropriate.
<b>Sub-Issue 2.E:</b> ELRP Dual Participation	<b>Yes.</b> Exports compensated for 30 hours at ELRP A.5 hours and price, remaining 8730 at NEM rate. VGIC p.13	Per ELRP decision (D.20-11-003, p.133) dual participation is not allowed with RTP.	Dual participation with ELRP would require a Petition to Modify the ELRP decision but VGIC has not filed one.
<b>Sub-Issue 2.F:</b> VGIC's current position appears to be that PG&E may be open to a rate/market participation hybrid approach	<b>Unclear.</b>	Unclear.	Unclear.

In addition to the specific issues currently believed to be in dispute, as presented in the table above, PG&E is concerned that VGIC's rate proposals lack adequate implementation detail, which is necessary to evaluate feasibility, timing, and cost of implementing should its proposals be adopted. PG&E requests that VGIC be required to come forward with clarifications to provide opportunity for additional analysis of the implementation details, such that parties may

adequately respond, to ensure the CPUC has a robust record on the costs and benefits of all options.

#### **IV. CONCLUSION**

PG&E respectfully requests the Commission grant evidentiary hearings during a three-day period, to address the contested issues identified above. Should the Commission require VGIC to submit additional implementation details for its proposal, the Commission may want to consider allowing more time between submission of implementation details and the evidentiary hearings to allow parties adequate time to review and discuss narrowing the issues. PG&E also requests the CPUC provide guidance as to whether, and if so when during these hearings, the Commission may wish to ask questions about the uncontested stipulation on the Marginal Generation Capacity Cost Study, which otherwise does not require hearings.

Respectfully Submitted,

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Dated: April 22, 2022